

Rep. Peter Welch grilled Bank of America CEO Ken Lewis Thursday morning about whether the bank kept critical information from its shareholders about the worsening financial situation at Merrill Lynch, which Bank of America had agreed to buy.

Bank of America agreed to the purchase in September, 2008, and shareholders voted to confirm the deal in December. Due to the declining financial situation at Merrill, however, Lewis considered risking a protracted legal battle to end the merger in the days following the shareholder vote. Despite informing the Treasury and the Federal Reserve about the possibility of terminating the merger due to billions of dollars in additional losses, Lewis did not inform shareholders of these losses.

Lewis testified Thursday before the House Committee on Oversight and Government Reform, of which Welch is a member. Welch asked Lewis whether he neglected his responsibility to shareholders by hiding critically important information about Merrill's financial condition.

[Click here](#) to view Welch's questioning.